

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7189**

**BILL NUMBER:** HB 1386

**NOTE PREPARED:** Jan 6, 2011

**BILL AMENDED:**

**SUBJECT:** Commercial Feed Certification.

**FIRST AUTHOR:** Rep. Lehe

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill allows the State Chemist to adopt rules concerning the inspection, auditing, and certification of commercial feed manufacturers and distributors that export commercial feed. The rules must include a schedule of fees to cover the cost of the State Chemist's inspection activities. Failure to pay the fees is a Class C infraction.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** The State Chemist may adopt rules to inspect, audit, and certify commercial feed manufacturers and distributors that export commercial feed. The State Chemist's budget provides for expenses associated with the adoption of rules.

**Explanation of State Revenues:** Rules adopted must include a schedule of fees for all activities required to inspect, audit, and certify a commercial feed manufacturer or distributor. The amount of revenue that will be generated will depend on the fee schedule adopted in the rules. IC 15-19-7-33 provides that fees collected by the State Chemist must be paid to the Treasurer of Purdue University.

*Penalty.* The bill provides for a Class C infraction. If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping

fee (\$7), judicial salaries fee (\$18), the public defense administration fee (\$3), the court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Penalty.* If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

**State Agencies Affected:** State Chemist.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.